GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:1606
ANSWERED ON:28.11.2001
OUTSTANDING LIABILITIES OF THE STATES
PRAKASH V. PATIL;PUSHPDAN SHAMBHUDAN GADHAVI

Will the Minister of PLANNING be pleased to state:

(a) whether it is a fact that outstanding liabilities of the States have reached on alarming point;

(b) if so, whether the Union Government have held any discussions with the State Government in this regard; and

(c) the action taken by the Government to improve the situation?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF SMALL SCALE INDUSTRIES, MINISTER OF STATE IN THE MINISTRY O PERSONNEL, PUBLIC GRIEVANCES & PENSIONS, MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE DEPARTMENTS OF ATOMIC ENERGY AND SPACE (SHRIMATI VASUNDHARA RAJE)

(a): A Statement on the Outstanding loans, Advances and Other liabilities of the States as on 31st March 2001 (RE) is given in the Annexure.

(b) & (c): The recommendations of the Eleventh Finance Commission on additional term of reference which have been accepted by the Government of India are aimed at fiscal reforms of the States. These reforms, if carried out, are expected to bring down the debt liabilities of the States to a sustainable level by 2004-05.